

## MEMORANDUM OF ASSOCIATION

1. The name of the Company is AX HOLDINGS LIMITED.
2. The Company is a private company.
3. The registered office of the Company is AX House, Mosta Road, Lija.
4. The objects of the Company are:
  - (b) to invest or hold shares in any other company, partnership or business, and to give loans, advances and credit facilities to third parties;
  - (c) to acquire and dispose of, by any title valid at law, movable or immovable property, whether for commercial or other purposes, or to hold such property so acquired. The consideration for any acquisition or disposal can be by credit or in cash or in kind, including the allotment of shares or debentures of the Company, credited as paid up in full or in part as needs be;
  - (d) to furnish investment and managerial services;
  - (e) to lease, hire, grant or in any other way employ, improve, manage, operate, utilise or develop any of the Company's assets in such manner as may from time to time be determined;
  - (f) to carry on the business of building contractors and civil engineering;
  - (g) to issue debentures, or to contract loans, advances or banking facilities up to any extent and in such manner as may be necessary for the carrying out of the Company's objects;
  - (h) to secure in such manner as may be necessary the repayment of any financial facilities acquired by the Company or by any other person or body of persons, in particular by way of hypothecation, charge, pledge or lien on the whole or any part of its property;
  - (i) to sell or otherwise dispose of the whole or any part of the undertaking of the Company for such consideration as the Company may think fit, and in particular for shares or debentures of any company purchasing the same;
  - (j) to do anything or to carry out such other transactions as may be conducive, or incidental to the attainment of the above objects, or any one of them.
5. The authorised Share capital of the Company is two hundred and two thousand Maltese Liri (Lm202,000) divided into two hundred and two thousand (202,000) Ordinary Shares of One Maltese Lira (Lm1) each.

6. The issued share capital of the Company is two hundred and two thousand (202,000) Ordinary Shares of the nominal value of One Maltese Lira (Lm1) each, fully paid up, and at present held by:
- (a) Mr Angelo Xuereb (I.D. No. 494652 M)  
of *Santa Maria*, Vjal il-21 ta' Settembru, Naxxar: 1 share
- (b) Fulcrum Services Limited (C 12271)  
AX House, Mosta Road, Lija: 201,999 shares
7. The business of the Company shall be managed by a Board of Directors consisting of not more than three (3) Directors.
8. The present sole Director is Mr Angelo Xuereb (I.D. No. 494652 M) of Santa Maria, Vjal il-21 ta' Settembru, Naxxar.
9. The legal and judicial representation shall vest in any one Director of the Company, or, without prejudice to the power of the said one Director to represent the Company as aforesaid, in any person or persons nominated by the Board of Directors for the purpose. The present Director having the representation of the Company is Mr Angelo Xuereb.
10. There shall be a Secretary to the Company. The present Secretary is Mr Tonio Farrugia (I.D. No. 638148 M) of 23 Triq Sir Adrian Dingli, Sliema.

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**Angelo Xuereb**

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**Angelo Xuereb**  
o.b.o. *Fulcrum Services Limited*

## ARTICLES OF ASSOCIATION

1. The provisions of the First Schedule of the Companies Act, 1995 shall not apply to the Company.
2.
  - (a) The right to transfer shares is restricted in the manner hereinafter prescribed;
  - (b) the number of persons holding shares or debentures of the Company is limited to fifty provided that where two or more persons hold shares in the Company jointly, they shall, for the purpose of this regulation, be treated as a single member;
  - (c) subject to the provisions of Section 211 (3) of the Companies Act, 1995, no body corporate is the holder of, or has any interest in, any shares or debentures of the Company or is a director of the Company, and neither the Company nor any of the directors is party to an arrangement whereby the policy of the Company is capable of being determined by persons other than the directors, members or debenture holders thereof;
  - (d) any invitation to the public to subscribe shares or debentures of the Company is prohibited;
  - (e) the Company shall not have power to issue share warrants to bearer.
3. Shares can only be issued when and under those conditions as decided by a resolution of the General Meeting.
4. The Directors may, from time to time, make calls in respect of the unpaid part of shares, fixing the time of payment not being less than fourteen calendar days. Interests at the rate of eight per cent (8%) per annum shall be due on any amount not paid within the time period fixed by the Directors.
5. Shares are transferable by an instrument in writing signed by the transferor and the transferee. Subject to the provisions of regulation (7) (f), the transferor shall be deemed to remain the holder of the shares until the transfer is registered in the Company's books.
6. Shares are freely transferable only (a) to any other shareholder, and/or (b) to the spouse and/or any descendant of the transferring shareholder, and/or (c) if agreed to in writing by all the shareholders.
7.
  - (a) Any shareholder who intends transferring any of his shares (not being a transfer allowed under the preceding regulation) shall give notice in writing to the Board of Directors indicating (i) the number of shares for transfer, (ii) the asking price per share, and (iii) the facilities, if any, offered to the transferee for the payment of the price. Such notice shall constitute the Board as his agent and shall not be revocable before the expiration of four months.

- (b) The Board shall offer the shares specified in the said notice to the other shareholders who shall be invited to state in writing within fifteen days from the receipt of the notice whether they are willing to purchase any of the offered shares and, if they are so willing, what maximum number of shares.
  - (c) At the expiration of the said period of fifteen days, the Board shall allocate the shares to or amongst the shareholders who have expressed their willingness to purchase, provided (i) preference in the allocation will be given to the holders of the same class as those offered for sale, (ii) the allocation between shareholders is to be, as far as may be, 'pro rata' to their existing shareholding, and (iii) no shareholder shall be allotted more than the maximum number of shares notified by him as aforesaid.
  - (d) The shareholders to whom such shares are allocated are to be informed in writing by the Board and shall deposit with the Board (for payment to the proposed transferor on the signing by him of the transfer instrument) the amount due as price for the shares allotted to him. Provided that where facilities for the payment of the price are offered and included in the notice prescribed under (a) above, only that part of the price payable on the signing of the share transfer is to be deposited with the Board. If the said amount is not deposited with the Board within twenty calendar days from the receipt of such notice, the allotment shall lapse.
  - (e) The Board shall notify in writing the proposed transferor of the number of shares not allocated as above (including shares the allocation of which has lapsed) and in respect of such shares the proposing transferor may (at any time up to three months from the date of such notice) transfer them (or any part thereof) to any person PROVIDED the price be not less than that notified to the Board and no facilities, better than and/or additional to those notified to the Board, be granted for the payment of the price of the shares.
  - (f) From the moment the price is deposited with the Board in terms of paragraph (d), all rights (including those to receive dividends, to receive notices and to attend and vote at General Meetings) shall vest (in respect of the shares in respect of which the deposit is made) in the shareholder making the deposit, and this independently of whether or when the transfer instrument is signed.
  - (g) Any duty under the Duty on Documents and Transfers Act shall be borne by the transferee.
  - (h) If a transfer of shares is made in contravention to the provisions of this regulation (including a transfer with an indication of a simulated price), the shares forming the object of such transfer shall become non-voting and non-participating (in the sense that the holder shall not be entitled to any vote and/or any dividend) and shall so remain until otherwise decided by a resolution at a General Meeting.
8. (a) The Directors shall decline to register a transfer if by such transfer the number of the members of the Company would exceed fifty.

- (b) The Directors may decline to register a transfer if (a) it is to a person of whom they shall not approve (but this only in the case of shares not being fully paid up shares), and/or (b) if the instrument of transfer is not accompanied by the relative share certificate.
  - (c) The Directors may, at any time, require any shareholder to furnish them with any information, supported if the Directors so require by an affidavit and other documentary proof, for the purpose of determining whether or not the Company satisfies the conditions of qualification as an exempt company in terms of subsection (2) of section 211 of the Companies Act, 1995.
- 9.
  - (a) In the case of transmission of shares “causa mortis”, the shares belonging to the deceased shareholder or to the deceased spouse of a shareholder shall be registered in the name of the beneficiary on submitting to the Board of Directors the necessary evidence of such transmission.
  - (b) The cessation of the Community of Acquests shall be considered as a transmission “causa mortis” for the purpose of this regulation.
  - (c) In the case of an usufruct, the right to receive dividends, and to receive notice for, and to attend and vote at, General Meetings shall vest only in the usufructuary.
  - (d) The shares subject to a transmission “causa mortis” shall not have the right to vote until they are registered in the name of the beneficiary and during such time shall not be taken into consideration for the purpose of establishing the quorum required under regulation (12) (a) but shall be taken into consideration for the purpose of paragraphs (a) and (c) of Regulation (17).
- 10. Subject to the provisions of Regulation (9)(c), when a share is held jointly by several persons, the name of only one of such persons (elected by the joint holders) shall be registered in the Company’s books, and such person shall, for all intents and purposes, be deemed, vis-a-vis the Company, to be the registered holder of the relative share.
- 11. Apart from the Annual General Meeting, the Directors may, and on the requisition by members in terms of section 129 of the Companies Act 1995 shall, convene Extraordinary General Meetings.
- 12.
  - (a) The quorum at a General Meeting shall be a member or members (present in person or by proxy) holding, or holding between them, not less than 51% of the shares with voting powers.
  - (b) If within half an hour from the time appointed for the meeting a quorum is not present, it shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may indicate beforehand in the notice convening the meeting: and if, at the adjourned meeting a quorum is not present within half an hour from the appointed time, the member or members present shall be a quorum.

13. The Chairman, if any, of the Board of Directors shall preside as Chairman at every General Meeting. If there is no such Chairman, or if he shall not be present within fifteen minutes after the appointed time for the meeting or is unwilling to act, the members present shall choose one of the Directors present or one of the members present to be Chairman of the meeting.
14. Subject to the provisions of Regulation (7) (h) and subject to any rights or restrictions for the time being attached to any class of shares, each share shall entitle its holder (whether present in person or by proxy) to one vote, both on a show of hands and on a poll.
15. A poll may be ordered by the Chairman on his own motion or at the request of any member or members holding or holding between them not less than five per cent (5%) of the issued shares. A poll shall be taken forthwith unless the Chairman otherwise directs.
16.
  - (a) The instrument appointing a proxy and/or the power of attorney or other relevant instrument, if any, are (unless deposited beforehand with the Company) to be produced immediately the General Meeting starts.
  - (b) If a shareholder is a minor, bankrupt, interdicted or incapacitated, the exercise of the rights of such shareholders shall be by the curator or legal representative and the provisions of paragraph (a) shall only apply in respect of the documentary proof of the authority of the curator or representative.
  - (c) No objection shall be raised to the qualification of any voter except at the meeting at which the vote objected to is given or tendered, and any vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be decided by the Chairman, whose decision shall be final and conclusive.
17.
  - (a) Alterations to the Articles of Association, the issue or conversion of shares, any increase or reduction of capital and the dissolution of the Company shall require the consent of a member holding, or of members holding between them, not less than seventy five per cent (75%) of the issued shares.
  - (b) Election of Directors, fixing of the remuneration of Directors, approval of the accounts and of the Directors report, declaration of dividend, appointment of auditors and fixing of the auditors' remuneration shall be validly decided by a simple majority of the votes of the member present (in person or by proxy) at the time of the voting.
  - (c) In all other cases, decisions require the consent of a member holding, or of members holding between them, not less than fifty one per cent (51%) of the issued shares.
  - (d) No dividend can be declared in excess of the amount recommended by the Directors.

- (e) A resolution in writing signed by all the members for the time being entitled to attend and vote at general meetings shall be as valid and effective as if the same had been passed at a general meeting of the company duly convened and held.
- 18.** (a) The present Director shall hold office until death, resignation or removal. Unless otherwise decided on their election other Directors shall hold office up to the end of the first Annual General Meeting to be held after their election.
- (b) A retiring Director shall be eligible for re-election.
- (c) A Director need not be a shareholder.
- 19.** The borrowing powers of the Company shall be unlimited.
- 20.** (a) The Directors' powers to bind the Company shall be unlimited.
- (b) The Directors may from time to time pay to the shareholders such interim dividends as appear to them to be justified by the profits of the Company.
- 21.** (a) The quorum at Board Meetings shall be one (1) when there are not more than two (2) Directors and two (2) if there are more than two (2) Directors.
- (b) The Directors shall elect from amongst their number, a Chairman, who shall have a casting vote.
- (c) A Director may hold any other office or place of profit with the Company on such terms, including remuneration, as may be determined by the Board.
- (d) A Director may appoint (for a particular meeting, for a definite period of time or for an indefinite period) another person to act as his alternate Director. Such appointment must be in writing and can be terminated in writing at any time by the Director.
- (e) A resolution signed by all the Directors shall be as valid and effective as if it has been passed at a meeting of the directors duly convened and held.
- 22.** Without prejudice to the powers of any Director in terms of clause 9 of the Memorandum:
- (a) Deeds of whatever nature engaging the Company and all other documents purporting to bind the Company (including cheques, promissory notes and other negotiable instruments) may be signed by any one Director or by such person or persons as the Board of Directors may from time to time determine; and
- (b) Any one Director may represent the Company in judicial proceedings, provided that no proceedings shall be instituted on behalf of the Company unless so authorised by the Board. The Board may, at any time, ratify and confirm any proceeding instituted without such authorisation.

23. The Board of Directors may establish and demand a fee for the issue of share certificates, certificates, copies of the Memorandum and Articles and other services.
24. Every shareholder is to specify his address (in Malta or elsewhere) to the Company. The posting of a letter to the address so specified shall be deemed to be sufficient notice for all intents and purposes. Such notice shall be conclusively deemed to have reached the shareholder (i) on the first working day after posting if the address is in Malta, and (ii) eight calendar days after posting if the address is outside Malta.
25. Notice of every General Meeting shall be given to:
- (i) Every registered shareholder, excluding holders of shares being transferred after the deposit in terms of Regulation (7) (d);
  - (ii) Transferees of shares in terms of Regulation (7) (f);
  - (iii) Every Director of the Company; and
  - (iv) The auditors for the time being of the Company.

No other person shall be entitled to receive notice of General Meetings.

26. Every director, secretary, auditor and any officer for the time being of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings in which judgement is given in his favour or in which he is acquitted.
27. Subject to any decision, order and/or regulation made at a General Meeting, the Board of Directors shall have full discretionary powers on all matters, including procedure, not provided for in the present Articles of Association.

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**Angelo Xuereb**

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